

September 15, 2005- Rahall Urges President To Use Address To Offer Strategy To Reel In Gas Prices

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WASHINGTON, DC - In advance of President Bush's address from Louisiana on Thursday night, Rep. Nick Rahall, D-W.Va., said he hopes that while the president will fully address the needs of rebuilding the lives of those affected by Katrina, the Congressman also hopes the President will use this opportunity to present the American people with a clear, comprehensive strategy to reel in gas prices, which have doubled in the last several months.

"The gas price crisis needs to be more than just a footnote in the president's remarks," Rahall said. "The development of a clear, comprehensive strategy to bring prices down should be a top priority. That's what America's working families are waiting to hear. And they've been waiting a long time."

In the wake of Hurricane Katrina, gas prices across West Virginia remain at all-time highs and with school back in session, our country's youth are starting to feel the crunch as well, said Rahall.

In many cases, when school budgets were approved last year, school systems did not account for the recent escalation in gas prices, leaving administrators scrambling to find ways to meet their bottom lines.

Among the short-term solutions: new bus routes, a freeze on student field trips, and combining athletic events.

"It's Week 24 of the gas price crisis and the list of things affected by this keeps getting longer and longer," Rahall said. "Now it's the quality of our childrens' education that is being sacrificed."

"Since January 2002, the top ten oil companies have made \$125 billion in profits. But our schools are scraping to balance their yearly budgets. It doesn't take a genius to see who's hurting and who's harvesting here," Rahall continued.

Although schools get a price break because they are not taxed for fuel, they still are feeling a big punch. Gas is about \$1.10 more expensive than it was this time last year, meaning many school systems already have reached deep into their annual fuel budgets.

In Beckley, W.Va., Transportation director Jerry Redden recently addressed the Raleigh County Board of Education about fears of fuel shortage. According to Redden, while the country currently has a sufficient supply, officials are considering switching over to biodeisel fuel. While no discussion of cutting extracurricular trips has occurred, the issue is something officials are watching very closely.

"It is the responsibility of our Republican leadership in Washington, not of our local transportation officials, to study our nation's energy strategy and offer productive alternatives," Rahall said. "Every minute of time our education officials have to spend dealing with this problem is a minute taken away from their jobs, which means it's a minute taken away from our youth. We can afford this no more than we can afford paying more than three dollars for a gallon of gas."

Rahall said that in the wake of Katrina America got a first-hand look at the vulnerability of the oil industry.

"Any disruption in the supply chain is going to have disastrous consequences until the administration gives this problem the attention it deserves," Rahall said. "Opening the reserves may stabilize prices, but they will still be higher than they should and the relief will be temporary. These prices didn't rise overnight and they won't drop overnight either. I hope the administration takes this opportunity to examine and repair the bigger picture."

Rahall has proposed many different options for alleviating the pressure of high gas prices on the people of southern West Virginia. He is a proponent of alternative fuels to gasoline, especially coal-based fuels including liquid or gaseous coal-based fuels. Rahall has also urged the Administration to conduct an investigation into the possibility of price fixing by the Big Oil companies.

He supports a new plan unveiled Wednesday to combat price gouging. The plan would give the Federal Trade Commission added authority to prosecute oil companies.

Not only does this proposal impose tough penalties on companies that cheat consumers, but fines for price-gouging would be used to provide relief to consumers for high energy prices in the form of a Consumer Relief Trust Fund, to be used to expand the Low-Income Home Energy Assistance Program (LIHEAP) or to provide relief to consumers paying record prices at the pump.